

KL Metropolis to focus on hotel components

The execution will involve at least 3 4-star hotels and a 5-star hotel, says group MD

by IZZAT RATNA

NAZA TTDI Sdn Bhd — the master developer of the RM20 billion KL Metropolis — said it will be focussing on hotel components for the 30.6ha development, which is expected to be rolled out by 2021.

Group MD and deputy executive chairman SM Faliq SM Nasimuddin said the execution of developing the hotel components for KL Metropolis will involve at least three four-star hotels and a five-star hotel.

“We do not want to oversupply the market with endless commercial projects, which is why the next way forward would be to capitalise on the hotel segments, as it is a necessary element to complement the retail aspect.”

“For the hotel developments, we may want to co-invest with other hotel owners to bring value to the projects, in tandem with the retail segment as well,” SM Faliq told reporters

at a signing ceremony in Kuala Lumpur yesterday.

To date, Naza TTDI has launched the RM650 million gross development value (GDV) Malaysia International Trade and Exhibition Centre (MITEC), the RM1.3 billion GDV MET 1 residences, along with the RM650 million GDV MET Corporate Towers.

Moreover, SM Faliq said KL Metropolis consists of a few phases and Naza TTDI together with its strategic partners are in talks for a 3.6ha master plan development, which is expected to be announced sometime this year.

Commenting on the recently passed Tourism Tax Bill 2017, he said the demand for hotels within KL Metropolis would not be as affected as the meeting, incentives, conferencing, exhibition industry primarily comprises high-end tourists.

“For someone who is going

to a convention in the MITEC building, having a hotel nearby would not prevent them from occupying the hotel regardless of any form of additional tax,” he added.

SM Faliq also remarked that it is still too early to predict the effect of the bill.

Triterra Metropolis Sdn Bhd and Naza TTDI yesterday inked an agreement for the latest commercial asset within KL Metropolis.

The project is a new corporate building named the “MET Corporate Towers” in the MET 8 precinct — slated for completion by 2021.

Also present at the signing ceremony were Triterra Metropolis joint chairman Datuk Seri Michael Yam Kong Choy, as well as Naza World Group of Cos group executive chairman and group CEO Datuk Wira SM Faisal SM Nasimuddin.

Yam said the MET Corporate

Towers have secured three financial institutions that are prepared to give loans for land purchase and bridging finance, despite Bank Negara Malaysia’s guidelines on responsible lending policies:

“Banks are prepared to lend, provided the risk is something that they can manage as long as the projects are in good locations — which would be delivered on time with good quality.

“On the end-financing side, we have secured about six banks and more are coming through, and they are prepared to give loans as high as 85% with interest rates slightly higher than mortgage,” he noted.

SM Faliq further said Naza TTDI welcomes Triterra Metropolis to be one of its strategic partners for the KL Metropolis development, adding that the partnership can possibly spur more projects for them in the future.



(From left) Triterra Metropolis CEO Christopher Lim, joint chairman Datuk Wira Lim Teong Kiat, deputy chairman Daniel Lim, Yam, SM Faliq and SM Faisal at the signing ceremony in Kuala Lumpur yesterday

Pic by Hussein Shahrudin